

ASP-W

ANNUAL REPORT

OF

Ray Elliott
Aspen Creek Water Co.

NAME

10 S. Bear Lake Blvd.
Garden City, UT 84028

ADDRESS

TO THE

IDAHO PUBLIC

UTILITIES COMMISSION

FOR THE

YEAR ENDED 2016

IDAHO PUBLIC
UTILITIES COMMISSION

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**ANNUAL REPORT FOR WATER UTILITIES TO
THE IDAHO PUBLIC UTILITIES COMMISSION
FOR THE YEAR ENDING December 31, 2016**

COMPANY INFORMATION

1 Give full name of utility Aspen Creek Water Company, Inc.
 Telephone Area Code () 435-946-3500
 E-mail address vista@bearlake.com
 2 Date of Organization 12/28/1999
 3 Organized under the laws of the state of Idaho
 4 Address of Principal Office (number & street) 10 S. Bear Lake Blvd.
 5 P.O. Box (if applicable) _____
 6 City Garden City
 7 State Utah
 8 Zip Code 84028
 9 Organization (proprietor, partnership, corp.) Corporation
 10 Towns, Counties served Fish Haven, Idaho

11 Are there any affiliated companies? Yes
If yes, attach a list with names, addresses & descriptions. Explain any services provided to the utility.

12 Contact Information	Name	Phone No.
President (Owner)	Bart Mckinnon	435-946-3500
Vice President	Patrick Mckinnon	435-946-3500
Secretary	A. Ray Elliott	435-946-3500
General Manager	A. Ray Elliott	435-946-3500
Complaints or Billing	Janie Sorochuk	435-946-3500
Engineering	Bart Mckinnon	435-946-3500
Emergency Service	Bart Mckinnon	435-946-3500
Accounting	Janie Sorochuk	435-946-3500

13 Were any water systems acquired during the year or any additions/deletions made to the service area during the year? No
If yes, attach a list with names, addresses & descriptions. Explain any services provided to the utility.

14 Where are the Company's books and records kept?
 Street Address 10 S. Bear Lake Blvd.
 City Garden City
 State Utah
 Zip 84028

NAME: Ray Elliott, Aspen Creek Water Co.

COMPANY INFORMATION (Cont.)

For the Year Ended 12/31/2016

15 Is the system operated or maintained under a service contract? No

16 If yes: With whom is the contract? n/a

When does the contract expire? n/a

What services and rates are included? n/a

17 Is water purchased for resale through the system? No

18 If yes: Name of Organization n/a

Name of owner or operator n/a

Mailing Address n/a

City n/a

State n/a

Zip n/a

Gallons/CCF \$Amount

Water Purchased n/a | _____

19 Has any system(s) been disapproved by the Idaho Division of Environmental Quality? No

If yes, attach full explanation

20 Has the Idaho Division of Environmental Quality recommended any improvements? Yes

If yes, attach full explanation

21 Number of Complaints received during year concerning:
Quality of Service 0
High Bills 0
Disconnection 0

22 Number of Customers involuntarily disconnected 0

23 Date customers last received a copy of the Summary of Rules required by IDAPA 31.21.01.701? 1-Apr-02 (New Customers Receive at time of hookup)
Attach a copy of the Summary

24 Did significant additions or retirements from the Plant Accounts occur during the year? No

If yes, attach full explanation and an updated system map

NAME: Ray Elliott, Aspen Creek Water Co.

REVENUE & EXPENSE DETAIL

For the Year Ended 12/31/2016

ACCT #	DESCRIPTION		
<u>400 REVENUES</u>			
1	460	Unmetered Water Revenue	<u>20380</u>
2	461.1	Metered Sales - Residential	<u> </u>
3	461.2	Metered Sales - Commercial, Industrial	<u> </u>
4	462	Fire Protection Revenue	<u> </u>
5	464	Other Water Sales Revenue	<u>3500</u>
6	465	Irrigation Sales Revenue	<u> </u>
7	466	Sales for Resale	<u> </u>
8	400	Total Revenue (Add Lines 1 - 7) (also enter result on Page 4, line 1)	<u>23880</u>
9	*	DEQ Fees Billed separately to customers	<u> </u> Booked to Acct # <u> </u>
10	**	Hookup or Connection Fees Collected	<u>3500</u> Booked to Acct # <u>464</u>
11	***	Commission Approved Surcharges Collected	<u> </u> Booked to Acct # <u> </u>
<u>401 OPERATING EXPENSES</u>			
12	601.1-6	Labor - Operation & Maintenance	<u> </u>
13	601.7	Labor - Customer Accounts	<u> </u>
14	601.8	Labor - Administrative & General	<u> </u>
15	603	Salaries, Officers & Directors	<u> </u>
16	604	Employee Pensions & Benefits	<u> </u>
17	610	Purchased Water	<u> </u>
18	615-16	Purchased Power & Fuel for Power	<u>8616</u>
19	618	Chemicals	<u> </u>
20	620.1-6	Materials & Supplies - Operation & Maint.	<u>437</u>
21	620.7-8	Materials & Supplies - Administrative & General	<u> </u>
22	631-34	Contract Services - Professional	<u>4700</u>
23	635	Contract Services - Water Testing	<u> </u>
24	636	Contract Services - Other	<u> </u>
25	641-42	Rentals - Property & Equipment	<u> </u>
26	650	Transportation Expense	<u> </u>
27	656-59	Insurance	<u>1251</u>
28	660	Advertising	<u> </u>
29	666	Rate Case Expense (Amortization)	<u> </u>
30	667	Regulatory Comm. Exp. (Other except taxes)	<u> </u>
31	670	Bad Debt Expense	<u> </u>
32	675	Miscellaneous	<u>1510</u>
33	Total Operating Expenses (Add lines 12 - 32, also enter on Pg 4, line 2)		16514

Name: Ray Elliott, Aspen Creek Water Co.

INCOME STATEMENT

For Year Ended 12/31/2016

ACCT #	DESCRIPTION		
1	Revenue (From Page 3, line 8)		23880
2	Operating Expenses (From Page 3, line 33)	16514	
3	403 Depreciation Expense		
4	406 Amortization, Utility Plant Aquisition Adj.		
5	407 Amortization Exp. - Other		
6	408.10 Regulatory Fees (PUC)		
7	408.11 Property Taxes	253	
8	408.12 Payroll Taxes		
9A	408.13 Other Taxes (list) DEQ Fees		
9B			
9C			
9D			
10	409.10 Federal Income Taxes	185	
11	409.11 State Income Taxes	607	
12	410.10 Provision for Deferred Income Tax - Federal		
13	410.11 Provision for Deferred Income Tax - State		
14	411 Provision for Deferred Utility Income Tax Credits		
15	412 Investment Tax Credits - Utility		
16	Total Expenses from operations before interest (add lines 2-15)	17559	
17	413 Income From Utility Plant Leased to Others		
18	414 Gains (Losses) From Disposition of Utility Plant		
19	Net Operating Income (Add lines 1, 17 & 18 less line 16)		6321
20	415 Revenues, Merchandizing Jobbing and Contract Work		
21	416 Expenses, Merchandizing, Jobbing & Contracts		
22	419 Interest & Dividend Income		
23	420 Allowance for Funds used During Construction		
24	421 Miscellaneous Non-Utility Income		
25	426 Miscellaneous Non-Utility Expense		
26	408.20 Other Taxes, Non-Utility Operations		
27	409-20 Income Taxes, Non-Utility Operations		
28	Net Non-Utility Income (Add lines 20,22,23 & 24 less lines 21,25,26, & 27)		0
29	Gross Income (add lines 19 & 28)		6321
30	427.3 Interest Exp. on Long-Term Debt		
31	427.5 Other Interest Charges		
32	NET INCOME (Line 29 less lines 30 & 31) (Also Enter on Pg 9, Line 2)		6321

Name: Ray Elliott, Aspen Creek Water Co.

ACCOUNT 101 PLANT IN SERVICE DETAIL
 For Year Ended 12/31/2016

SUB ACCT #	DESCRIPTION	Balance Beginning of Year	Added During Year	Removed During Year	Balance End of Year
1 301	Organization				
2 302	Franchises and Consents				
3 303	Land & Land Rights	10000			10000
4 304	Structures and Improvements	14500			14500
5 305	Collecting & Impounding Reservoirs	90000			90000
6 306	Lake, River & Other Intakes				
7 307	Wells	143380			143380
8 308	Infiltration Galleries & Tunnels				
9 309	Supply Mains				
10 310	Power Generation Equipment				
11 311	Power Pumping Equipment	40051			40051
12 320	Purification Systems				
13 330	Distribution Reservoirs & Standpipes				
14 331	Trans. & Distrib. Mains & Accessories	79650			79650
15 333	Services				
16 334	Meters and Meter Installations	1500			1500
17 335	Hydrants	14500			14500
18 336	Backflow Prevention Devices				
19 339	Other Plant & Misc. Equipment				
20 340	Office Furniture and Equipment				
21 341	Transportation Equipment				
22 342	Stores Equipment				
23 343	Tools, Shop and Garage Equipment				
24 344	Laboratory Equipment				
25 345	Power Operated Equipment				
26 346	Communications Equipment				
27 347	Miscellaneous Equipment				
28 348	Other Tangible Property				
29	TOTAL PLANT IN SERVICE	393581			393581

(Add lines 1 - 28)

Enter beginning & end of year totals on Pg 7, Line 1

Name: Ray Elliott, Aspen Creek Water Co.

ACCUMULATED DEPRECIATION ACCOUNT 108.1 DETAIL

For Year Ended 12/31/2016

SUB ACCT #	DESCRIPTION	Depreciation Rate %	Balance Beginning of Year	Balance End of Year	Increase or (Decrease)
1 304	Structures and Improvements	5	10425	11150	725
2 305	Collecting & Impounding Reservoirs	5	67500	72000	4500
3 306	Lake, River & Other Intakes				
4 307	Wells	5	71760	77400	5640
5 308	Infiltration Galleries & Tunnels				
6 309	Supply Mains				
7 310	Power Generation Equipment				
8 311	Power Pumping Equipment	10	40051	40051	0
9 320	Purification Systems				
10 330	Distribution Reservoirs & Standpipes				
11 331	Trans. & Distrib. Mains & Accessories	5	55682	59664	3982
12 333	Services				
13 334	Meters and Meter Installations	10	1500	1500	
14 335	Hydrants	5	10875	11600	725
15 336	Backflow Prevention Devices				
16 339	Other Plant & Misc. Equipment				
17 340	Office Furniture and Equipment				
18 341	Transportation Equipment				
19 342	Stores Equipment				
20 343	Tools, Shop and Garage Equipment				
21 344	Laboratory Equipment				
22 345	Power Operated Equipment				
23 346	Communications Equipment				
24 347	Miscellaneous Equipment				
25 348	Other Tangible Property				
26	TOTALS (Add Lines 1 - 25)		257793	273365	15572

Enter beginning & end of year totals on Pg 7, Line 7

Name: Ray Elliott, Aspen Creek Water Co.

BALANCE SHEET

For Year Ended 12/31/2016

		ASSETS	Balance	Balance	Increase
ACCT #	DESCRIPTION		Beginning of Year	End of Year	or (Decrease)
1	101	Utility Plant in Service (From Pg 5, Line 29)	393581	393581	0
2	102	Utility Plant Leased to Others			
3	103	Plant Held for Future Use			
4	105	Construction Work in Progress			
5	114	Utility Plant Aquisition Adjustment			
6		Subtotal (Add Lines 1 - 5)	393581	393581	0
7	108.1	Accumulated Depreciation (From Pg 6, Line 26)	-257793	-273365	-15572
8	108.2	Accum. Depr. - Utility Plant Lease to Others			
9	108.3	Accum. Depr. - Property Held for Future Use			
10	110.1	Accum. Amort. - Utility Plant in Service			
11	110.2	Accum. Amort. - Utility Plant Lease to Others			
12	115	Accumulated Amortization - Aquisition Adj.			
13		Net Utility Plant (Line 6 less lines 7 - 12)	135788	120216	-15572
14	123	Investment in Subsidiaries			
15	125	Other Investments			
16		Total Investments (Add lines 14 & 15)	0	0	0
17	131	Cash	6963	7076	113
18	135	Short Term Investments			
19	141	Accts/Notes Receivable - Customers	1800	2435	635
20	142	Other Receivables	24846	0	-24846
21	145	Receivables from Associated Companies			
22	151	Materials & Supplies Inventory			
23	162	Prepaid Expenses			
24	173	Unbilled (Accrued) Utility Revenue			
25	143	Provision for Uncollectable Accounts			
26		Total Current (Add lines 17 -24 less line 25)	33609	9511	-24098
27	181	Unamortized Debt Discount & Expense			
28	183	Preliminary Survey & Investigation Charges			
29	184	Deferred Rate Case Expenses			
30	186	Other Deferred Charges (Escrow)	0	0	0
31		Total Assets (Add lines 13, 16 & 26 - 30)	169397	129727	-39670

Name: Ray Elliott, Aspen Creek Water Co.

BALANCE SHEET

For Year Ended 12/31/2016

LIABILITIES & CAPITAL

ACCT #	DESCRIPTION	Balance Beginning of Year	Balance End of Year	Increase or (Decrease)
1	201-3 Common Stock	3000	3000	0
2	204-6 Preferred Stock			
3	207-13 Miscellaneous Capital Accounts	1559	0	-1559
4	214 Appropriated Retained Earnings			
5	215 Unappropriated Retained Earnings	29050	6022	-23028
6	216 Reacquired Capital Stock			
7	218 Proprietary Capital			
8	Total Equity Capital (Add Lines 1-5+7 less line 6)	33609	9022	-24587
9	221-2 Bonds			
10	223 Advances from Associated Companies			
11	224 Other Long - Term Debt			
12	231 Accounts Payable			
13	232 Notes Payable			
14	233 Accounts Payable - Associated Companies			
15	235 Customer Deposits (Refundable)			
16	236.11 Accrued Other Taxes Payable			
17	236.12 Accrued Income Taxes Payable	0	489	489
18	236.2 Accrued Taxes - Non-Utility			
19	237-40 Accrued Debt, Interest & Dividends Payable			
20	241 Misc. Current & Accrued Liabilities			
21	251 Unamortized Debt Premium			
22	252 Advances for Construction			
23	253 Other Deferred Liabilities			
24	255.1 Accumulated Investment Tax Credits - Utility			
25	255.2 Accum. Investment Tax Credits - Non-Utility			
26	261-5 Operating Reserves			
27	271 Contributions in Aid of Construction	393581	393581	0
28	272 Accum. Amort. of Contrib. in Aid of Const. **	-257793	-273365	-15572
29	281-3 Accumulated Deferred Income Taxes			
30	Total Liabilities (Add lines 9 - 29)	135788	120705	-15083
31	TOTAL LIAB & CAPITAL (Add lines 8 & 30)	169397	129727	-39670

**** Only if Commission Approved**

Name: Ray Elliott, Aspen Creek Water Co.

STATEMENT OF RETAINED EARNINGS

For Year Ended 12/31/2016

1	Retained Earnings Balance @ Beginning of Year	33609
2	Amount Added from Current Year Income (From Pg 4, Line 32)	6321
3	Other Credits to Account	
4	Dividends Paid or Appropriated	-29349
5	Other Distributions of Retained Earnings	-1559
6	Retained Earnings Balance @ End of Year	9022

CAPITAL STOCK DETAIL

7	Description (Class, Par Value etc.)	No. Shares Authorized	No. Shares Outstanding	Dividends Paid
	Common Stock \$1 Par Value	50000	3000	29349

DETAIL OF LONG-TERM DEBT

8	Description	Interest Rate	Year-end Balance	Interest Paid	Interest Accrued
	N/A				

Name: Ray Elliott, Aspen Creek Water Co.

SYSTEM ENGINEERING DATA

For Year Ended 12/31/2016

1 Provide an updated system map if significant changes have been made to the system during the year.

2 Water Supply:

Pump Designation or location	Rated Capacity (gpm)	Type of Treatment: (None, Chlorine Fluoride Filter etc.)	Annual Production (000's Gal.)	Water Supply Source (Well, Spring, Surface Wtr)
Dempster Y-750 Aspen Creek	300	Chlorine	13511	Well

3 System Storage:

Storage Designation or Location	Total Capacity 000's Gal.	Usable Capacity 000's Gal.	Type of Reservoir (Elevated, Pressurized, Boosted)	Construction (Wood, Steel Concrete)
Storage Tank- Aspen Creek	115	100	Elevated	Concrete

(Duplicate form and attach if necessary. Asterisk facilities added this year.)

Name: Ray Elliott, Aspen Creek Water Co.

SYSTEM ENGINEERING DATA
(continued)
 For Year Ended 12/31/2016

4 Pump information for ALL system pumps, including wells and boosters.

Designation or Location & Type of Pump**	Horse Power	Rated Capacity (gpm)	Discharge Pressure (psi)	Energy Used This Year
Dempster Y-750 Aspen Creek	40	300	140	27567

**** Submit pump curves unless previously provided or unavailable. Asterisk facilities added this year. Attach additional sheets if inadequate space is available on this page.**

- 5 If Wells are metered:
- What was the total amount pumped this year? 14,052,174
 - What was the total amount pumped during peak month? 2,612,048
 - What was the total amount pumped on the peak day? 91,582
- 6 If customers are metered, what was the total amount sold in peak month? N/A
- 7 Was your system designed to supply fire flows? Yes
 If Yes: What is current system rating? 1000 GPM
- 8 How many times were meters read this year? 1
 During which months? July
- 9 How many additional customers could be served with no system improvements except a service line and meter? 62
 How many of those potential additions are vacant lots? 62
- 10 Are backbone plant additions anticipated during the coming year? Yes
If Yes, attach an explanation of projects and anticipated costs!
- 11 In what year do you anticipate that the system capacity (supply, storage or distribution) will have to be expanded? 2018

Name: Ray Elliott, Aspen Creek Water Co.

SYSTEM ENGINEERING DATA
 (continued)
 For Year Ended 12/31/2016

FEET OF MAINS

1	Pipe Size	In Use Beginning Of Year	Installed During Year	Abandoned During Year	In Use End of Year
	6"	12600			12600
	2"	700			700
	8"	5250			5250

CUSTOMER STATISTICS

	Number of Customers		Thousands of Gallons Sold	
	This Year	Last Year	This Year	Last Year
2 Metered:				
2A Residential	43	42	14052	13512
2B Commercial				
2C Industrial				
3 Flat Rate:				
3A Residential				
3B Commercial				
3C Industrial				
4 Private Fire Protection				
5 Public Fire Protection				
6 Street Sprinkling				
7 Municipal, Other				
8 Other Water Utilities				
TOTALS (Add lines 2 through 8)	43	42	14052	13512

SUMMARY OF RULES AND REGULATIONS
OF THE IDAHO PUBLIC UTILITIES COMMISSION
GOVERNING CUSTOMER RELATIONS OF
NATURAL GAS, ELECTRIC AND WATER PUBLIC UTILITIES
UNDER THE JURISDICTION OF THE IDAHO
PUBLIC UTILITIES COMMISSION

A utility may terminate service to a customer without his/her permission after adequate notice for the following reasons:

- A) Non-payment of delinquent bills.
- B) Failure to abide by the terms of payment arrangement.
- C) Misrepresentation of identity
- D) Unauthorized diversion or use of the utility
- E) Non-sufficient funds check.

Actions customer may take to avoid termination:

- A) Pay in full or make payment arrangements with the utility company.
- B) A physicians certificate stating the existence of a medical emergency.
- C) An informal or formal complaint concerning the termination may be filed with the utility.

Aspen Creek Water Co.
10 South Bear Lake Blvd.
Garden City, Utah 84028
(435) 946-3500

Or if you are unable to contact the utility company you may file with the Idaho Public Utilities Commission, P.O. Box 83720, Boise, Idaho 83720 or call 1-800-432-0369.

Complete set of customer Rules & Regulations on file with ASPEN CREEK WATER CO. and the Idaho Public Utilities Commission.

**Aspen Creek Water, Co.
Attachment to Annual Report**

Line 11: Affiliated Companies

Executive Recreational Properties
10 S. Bear Lake Blvd.
Garden City, Utah 84028

Management company that provides
accounting and management services.

Lake Vista Properties, LLC
10 S. Bear Lake Blvd.
Garden City, Utah 84028

Land Developer who is responsible for
Developing the land that the Water
Company will service.

Line 20: Recommended Improvements by Division of Environmental Quality

Recommendation was made that a 2nd Well be drilled and added to the water system because of expansion of the subdivision. The Well has been drilled and was completed in February 2007. No other recommendations have been made at this time.

System Engineering Data- Line 10: Back Bone Plant Additions

A pump house for the new well is expected to be completed in 2017 at an estimated cost of \$15,000. A backup generator and auto switch is also expected to be completed in 2017 at a cost of \$30,000. These costs will be provided by the developer.

Aspen Creek Water Co.
 Asset Listing and Depreciation
 12-31-16

	<u>Date</u>	<u>Life</u>	<u>Cost</u>	<u>12/31/2015 Accm Dep</u>	<u>C/Y Deprec</u>	<u>12/31/2016 Accm Dep</u>
Land			10000	0	0	0
<u>Hydrants</u>						
2001 Additions	1/1/2001	20	14500	10875	725	11600
Total Hydrants			14500	10875	725	11600
<u>Structures & Improvements</u>						
2001 Additions	1/1/2001	20	10000	7500	500	8000
2003 Pumphouse, stairs, doors	1/1/2003	20	4500	2925	225	3150
Total Structures & Improv			14500	10425	725	11150
<u>Reservoirs & Standpipes</u>						
2001 Additions	1/1/2001	20	90000	67500	4500	72000
Total Reservoirs & Standpipes			90000	67500	4500	72000
<u>Power Pumping Equip</u>						
2001 Additions	1/1/2001	10	18500	18500		18500
2007 Additions	6/1/2007	7	17293	17293		17293
2008 Additions	7/1/2008	7	4258	4258		4258
Total Pumping Equipment			40051	40051	0	40051
<u>Meters & Meter Installations</u>						
2001 Additions	1/1/2001	10	1500	1500		1500
Total Meters & Meter Install.			1500	1500	0	1500
<u>Transportation & Distribution Mains</u>						
2001 Additions	1/1/2001	20	55650	41732	2782	44514
2004 Additions	1/1/2004	20	15000	9000	750	9750
2005 Additions	1/1/2005	20	9000	4950	450	5400
Total Transportation & Dist. Mains			79650	55682	3982	59664
<u>Wells</u>						
2001 Additions	1/1/2005	20	70000	52500	3500	56000
2007 Additions	6/1/2007	20	73380	19260	2140	21400
Total Well			143380	71760	5640	77400
Totals			393581	257793	15572	273365